



June 12, 2007

Los Angeles County
Board of Supervisors

Gloria Molina
First District

Yvonne B. Burke
Second District

Zev Yaroslavsky
Third District

Don Knabe
Fourth District

Michael D. Antonovich
Fifth District

Bruce A. Chernof, MD
Director and Chief Medical Officer

John R. Cochran III
Chief Deputy Director

Robert G. Splawn, MD
Senior Medical Director

313 N. Figueroa Street, Suite 912
Los Angeles, CA 90012

Tel: (213) 240-8101
Fax: (213) 481-0503

*To improve health
through leadership,
service and education.*



The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**APPROVAL OF AMENDMENT NO. 2 TO
ORGAN DONATION SERVICES AGREEMENT
FOR DEPARTMENT OF HEALTH SERVICES
(All Districts) (3 Votes)**

IT IS RECOMMENDED THAT YOUR BOARD:

Approve and instruct the Director of Health Services, or his designee, to sign the attached Amendment No. 2 (Exhibit I) to Agreement No. H-210806 with OneLegacy for the continued provision of organ donation, which includes organ harvesting and distribution services, to extend the term from July 1, 2007 through June 30, 2012.

PURPOSE/JUSTIFICATION OF THE RECOMMENDED ACTIONS:

Approval of the recommended action will authorize the Director of Health Services, or his designee, to extend the term of the sole source agreement with OneLegacy to continue the harvesting and distribution of County hospitals' patient-donated organs on behalf of the County and in accordance with federal and state laws and regulations that govern the relationships among hospitals, organ and tissue procurement organizations, and patients.

FISCAL IMPACT/FINANCING:

All Department of Health Services' (DHS or Department) hospitals participating in the organ donation services program will be reimbursed at a rate of \$14,000 per organ donor for operating room expenses and distribution costs. The total estimated revenue is \$434,000 per fiscal year. Both the revenue and the costs associated with the organ donation services are included in the Department's Fiscal Year 2007-08 Proposed Budget and will be requested in future fiscal years.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

On September 14, 1999, the Board approved Agreement No. H-210806 with Southern California Organ Procurement Center, Inc. (SCOPC), which was

federally designated by the Health Care Financing Administration, Department of Health and Human Services, as the regional organ procurement organization for Southern California.

On June 29, 2004, Amendment No. 1 was approved to extend the term of the Agreement effective July 1, 2004 through June 30, 2007 with OneLegacy, formerly known as SCOPC.

OneLegacy is the Centers for Medicare & Medicaid Services' (CMS) designated organ procurement organization for Los Angeles County. To participate in organ donation services, an agreement with OneLegacy is required under federal regulations. Additionally, this agreement satisfies one of the conditions required by CMS for hospital participation in the Medicare and Medicaid programs for this service. Board approval of the amendment with OneLegacy will enable DHS to remain in compliance with these federal mandates.

The agreement with OneLegacy allows participating DHS hospitals and OneLegacy to work together to ensure that potential organ donors are identified, and that the County patients or legal next-of-kin are given the opportunity to donate organs in accordance with the national transplant wait list/match system as administered by the United Network for Organ Sharing (UNOS). It is expected that, although UNOS is a national transplant waiting list/match system, almost all of the organs harvested will remain in the Los Angeles County area and be transplanted to patients on local UNOS waiting lists.

Approval of Amendment No. 2 will add new Board-mandated provisions; add revised and new language as mandated by federal and state laws and regulations that govern the relationships among hospitals, organ and tissue procurement organizations, and patients; and extend the term effective July 1, 2007 through June 30, 2012.

Attachment A provides additional information.

County Counsel has approved the Amendment (Exhibit I) as to form.

CONTRACTING PROCESS:

OneLegacy is the CMS-designated organ procurement organization for Los Angeles County. To participate in organ donation services, an agreement with OneLegacy is required under federal regulations.

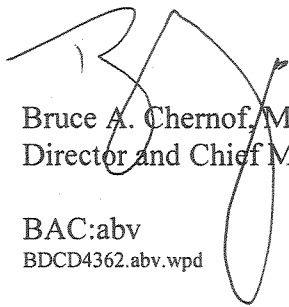
IMPACT ON CURRENT SERVICES (OR PROJECTS):

Approval of the attached Amendment will ensure the continued and uninterrupted provision of organ donation services and will enable DHS to comply with Federal and State mandates.

The Honorable Board of Supervisors
June 12, 2007
Page 3

When approved, this Department requires three signed copies of the Board's action.

Respectfully submitted,



Bruce A. Chernof, M.D.
Director and Chief Medical Officer

BAC:abv
BDCD4362.abv.wpd

Attachments (2)

c: Chief Administrative Officer
County Counsel
Executive Officer, Board of Supervisors

SUMMARY OF AMENDMENT

1. **TYPE OF SERVICE:**

Organ donation services.

2. **CONTRACTOR ADDRESS AND CONTACT PERSON:**

OneLegacy
221 South Figueroa Street, Suite 500
Los Angeles, CA 90012
Attention: Thomas Mone, Chief Executive Officer
Telephone: (213) 229-5600 FAX (213) 229-5601

3. **TERM:**

July 1, 2007 through June 30, 2012.

4. **FINANCIAL INFORMATION:**

Department of Health Services' hospitals participating in the organ donation services program will be reimbursed at a rate of \$14,000 per organ donor for operating room expenses and distribution costs. The total estimated revenue is \$434,000 per fiscal year. Both the revenue and the costs associated with the organ donation services are included in the Department's Fiscal Year 2007-08 Proposed Budget and will be requested in future fiscal years.

5. **GEOGRAPHIC AREA:**

Countywide.

6. **ACCOUNTABILITY FOR PROGRAM:**

Miguel Ortiz-Marroquin, Interim Chief Executive Officer, Harbor-UCLA Medical Center
Pete Delgado, Chief Executive Officer, LAC+USC Healthcare Network-Medical Center
Antoinette Smith Epps, Chief Executive Officer, MLK-Harbor Hospital
Gretchen McGinley, Interim Chief Executive Officer, Olive View-UCLA Medical Center
Jorge Orozco, Interim Chief Executive Officer, Rancho Los Amigos National Rehabilitation Center

7. **APPROVALS:**

Chief Deputy: John R. Cochran III

Contracts and Grants Division: Cara O'Neill, Chief

County Counsel (approval as to form) Sharon Reichman

ORGAN DONATION SERVICES AGREEMENT

AMENDMENT NO. 2

THIS AMENDMENT is made and entered into this _____ day
of _____, 2007,

by and between

COUNTY OF LOS ANGELES (hereafter
"County"),

and

ONELEGACY, a California non-
profit public benefit corporation
(hereafter "Contractor").

WHEREAS, reference is made to that certain document entitled
"ORGAN DONATION SERVICES AGREEMENT", dated September 14, 1999,
and further identified as County Agreement No. H210806, (all
hereafter "Agreement"); and

WHEREAS, it is the intent of the parties hereto to amend the
Agreement to extend the term, to add language which better
reflects current federal and state laws and regulations that
govern the relationship among hospitals, organ and tissue
procurement organizations, and patients as described in
California Health and Safety Code Chapter 3.5, Section 7150 of
Part 1 of Division 7; California Motor Vehicle Code, Section
12811; Centers for Medicare and Medicaid Services' (CMS) rules
and standards; The Joint Commission; the Organ Procurement

Transplant Network (OPTN); and to make other hereafter described changes; and

WHEREAS, said Agreement provides that changes may be made in the form of a written amendment which is formally approved and executed by the parties.

NOW, THEREFORE, the parties hereto agree as follows:

1. This Amendment shall be effective on July 1, 2007.
2. The first paragraph of Paragraph 1, TERM, shall be revised to read as follows:

"1. TERM: The term of this Agreement shall commence on July 1, 2007, and shall continue in full force and effect to and including June 30, 2012, unless sooner canceled or terminated as provided herein.

This Agreement may be terminated by either party upon the occurrence of one or more of the following circumstances:

A. Decertification of Contractor by the Centers for Medicare and Medicaid Services (CMS), as the designated Organ Procurement Organization (OPO) for the Facilities;

B. Upon the effective date of the designation of another OPO by the CMS to be County Facilities' designated OPO;

C. Upon the effective date of an agreement with

another OPO, which is authorized by CMS waiver;

D. Effective on the date that the County Facilities are no longer subject to compliance with any Federal or State regulation requiring that it refer potential organ donors to a designated OPO;

E. A material breach by either party which within thirty (30) calendar days of written notice thereof to the other party has not been cured.

Either party desiring to terminate this Agreement in response to any of the aforesaid circumstances shall provide as reasonable notice as is possible, but in no case less than thirty (30) calendar days, written notice to the other party. Such notice shall specifically state the reason for termination of Agreement, and such party desiring to terminate Agreement shall provide such documentation to the other party supporting the reason so stated."

3. Paragraph 3, DESCRIPTION OF SERVICES, shall be revised to read as follows:

"3. DESCRIPTION OF SERVICES:

a. OneLegacy shall:

(1) Provide organ donation services in accordance with Exhibit A, attached hereto and incorporated herein by reference.

(2) Provide Facilities during the term of

this Agreement with said organ donation services as Director may require of OneLegacy from time to time.

(3) Work together with Facility staff to define the respective and joint responsibilities of OneLegacy and Facility and to create a protocol for all families wishing to make an anatomical gift through donation after cardiac death in accordance with 42 CFR 486, Subsection G and 42 CFR 486.45.

(4) In accordance with the requirements for designated requestor contained in 42 CFR 482.45, bear primary responsibility for approaching the family, collaborating with the Facility staff, and documenting consent or decline, as well as medical/social history.

(5) As appropriate, provide annual designated requestor training.

b. County shall:

(1) Promptly evaluate all potential organ donors to determine if they meet imminent death criteria for organ, tissue, and eye donation pursuant to 42 Code of Federal Regulations (CFR) 482.45, and notify OneLegacy of imminent death within one hour of the time the potential donor meets the mutually agreed upon

clinical signs and symptoms of imminent death as directed in 42 CFR 486, Subpart G.

(2) Ensure, in collaboration with OneLegacy, that the family of each potential donor is informed of its option to donate organs, tissues, or eyes, or to decline to donate;

(3) Ensure, in collaboration with OneLegacy, that all families of potential organ donors within a Facility are approached for donation by a OneLegacy organ coordinator;

(4) Work cooperatively with OneLegacy in educating hospital staff, reviewing death records, and maintaining potential donors while testing and placement of organs takes place;

(5) Make available to OneLegacy on Facility premises potential donors' medical records for review.

(6) With respect to an organ donor, manage the donor during the pre-recovery process;

(7) Except as provided in Exhibit A, provide operating rooms and personnel, as needed and if available, for organ recovery. Facility designates OneLegacy as its tissue recovery agency and engages OneLegacy as Facility's tissue and eye recovery agency to fulfill the requirements of 42 CFR 482.45;

(8) Honor the wishes of the decedent to donate organs, tissues, and eyes as expressed in a valid document of gift. Pursuant to the Uniform Anatomical Gift Act (UAGA) and the California Motor Vehicle Code, an anatomical gift, that is not revoked by the donor before death, is irrevocable and does not require the consent or concurrence of any person after the donor's death. This includes an anatomical gift that is made by means of and/or registered in the California Organ and Tissue Donor Registry.

(9) Ensure that the electronic simultaneous organ placement process prescribed by the United Network for Organ Sharing (UNOS) is utilized to maximize and expedite the anatomical gift and provide OneLegacy with a wired/wireless secure Internet connection near the ICU in order for OneLegacy to upload donor information to UNOS and simultaneously share that information with prospective transplant centers.

(10) Acknowledge that StatLine, Inc. is OneLegacy's Call Center, subject to change at OneLegacy's discretion upon giving at least thirty (30) days prior written notice to County, and that StatLine, Inc. acts as OneLegacy's designated agent with regard to all facility imminent death and cardiac death referrals and performs

tasks on behalf of OneLegacy, including but not limited to: 1) obtaining next-of-kin information from Facility staff; 2) performing in-depth medical screening with facility staff to assist with determining donor suitability for cardiac death; 3) obtaining lab reports and blood samples from the facility laboratory to determine plasma dilution; and 4) ensuring that there is a location suitable to perform tissue recovery, Facility further agrees to inform its staff and contractors of StatLine's authority to perform on behalf of OneLegacy.

(11) Cooperate with OneLegacy in developing and approving policies and procedures to maximize donation and to further implement the provisions of this Agreement, 42 CFR 482.45, and applicable Joint Commission standards, and for compliance with all applicable laws, regulations, and standards relating to the donation of anatomical gift(s)."

4. Paragraph 5, BILLING AND PAYMENT, shall be revised to read as follows:

"5. BILLING AND PAYMENT: OneLegacy shall compensate County at the fixed rate of Fourteen Thousand Dollars (\$14,000) for each of Facilities' patients for which a OneLegacy representative has accepted one or more of the

patient's organs for donation. Such rate represents an amount which approximates each such Facility's average costs, including professional, hospital, and overhead expense, for maintaining a patient pending the donation, assisting OneLegacy in the removal and transferring of the organ(s), and in disposition of the patient's remains.

OneLegacy, following receipt of a complete and accurate billing, shall pay County the appropriate billed amount for each organ donor within thirty (30) calendar days. Facilities shall attempt to bill OneLegacy within sixty (60) calendar days of a donation service.

Director shall maintain complete records of each billing to OneLegacy for at least five (5) years after the billing is transmitted to OneLegacy. OneLegacy may access and view such records, upon giving reasonable prior notice thereof to Director, at any time during such period. OneLegacy may photocopy such records using County's photocopies, so long as it reimburses County for County's costs thereof."

5. Paragraph 20, DELEGATION AND ASSIGNMENT, shall be revised to read as follows:

"20. ASSIGNMENT BY CONTRACTOR:

A. Contractor shall not have any right to, and shall not, assign its rights or delegate its duties under this Agreement, or both, whether in whole or in

part, without the prior written consent of County, in its discretion, and any attempted assignment or delegation without such consent shall be null and void. For purposes of this Paragraph, County consent shall require a written amendment to this Agreement which is formally approved and executed by the parties. Any payments by County to any delegatee or assignee on any claim under this Agreement, in consequence of any such consent, shall reduce dollar for dollar any claims which Contractor may have against County and shall be subject to set-off, recoupment or other reduction for any claims which County may have against Contractor, whether under this Agreement or otherwise.

B. Shareholders, partners, members, or other equity holders of Contractor may transfer, sell, exchange, assign, or divest themselves of any interest they may have therein. However, in the event any such sale, transfer, exchange, assignment, or divestment is effected in such a way as to give majority control of Contractor to any person(s), corporation, partnership, or legal entity other than the majority controlling interest therein at the time of execution of the Agreement, such disposition is an assignment requiring

the prior written consent of County in accordance with applicable provisions of this Agreement.

C. Any assumption, assignment, delegation, or takeover of any of the Contractor's duties, responsibilities, obligations, or performance of same by any entity, other than the Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without County's express prior written approval, shall be material breach of the Agreement which may result in the termination of the Agreement. In the event of such termination, County shall be entitled to pursue the same remedies against Contractor as it could pursue in the event of default by Contractor.

6. Paragraph 41, TRANSITIONAL JOB OPPORTUNITIES PREFERENCE PROGRAM ORDINANCE, shall be added to Agreement as follows:

"41. TRANSITIONAL JOB OPPORTUNITIES PREFERENCE PROGRAM ORDINANCE: This Contract is subject to the provisions of the County's ordinance entitled Transitional Job Opportunities Preference Program, as codified in Chapter 2.205 of the Los Angeles County Code.

Contractor shall not knowingly and with the intent to

defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a Transitional Job Opportunity vendor.

Contractor shall not willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a County official or employee for the purpose of influencing the certification or denial of certification of any entity as a Transitional Job Opportunity vendor.

If Contractor has obtained County certification as a Transitional Job Opportunity vendor by reason of having furnished incorrect supporting information or by reason of having withheld information, and knew, or should have known, the information furnished was incorrect or the information withheld was relevant to its request for certification, and which by reason of such certification has been awarded this contract to which it would not otherwise have been entitled, shall:

1. pay to the County any difference between the contract amount and what the County's costs would have been if the contract had been properly awarded;
2. in addition to the amount described in subdivision (1), be assessed a penalty in an amount of not more

than 10 percent (10%) of the amount of the contract;
and

3. be subject to the provisions of Chapter 2.202 of the Los Angeles County Code (Determinations of Contractor Non-responsibility and Contractor Debarment).

The above penalties shall also apply to any entity that has previously obtained proper certification, however, as a result of a change in their status would no longer be eligible for certification, and fails to notify the certifying department of this information prior to responding to a solicitation or accepting a contract award."

7. Paragraph 42, CONTRACTOR'S CHARITABLE ACTIVITIES COMPLIANCE, shall be added to Agreement as follows:

"42. CONTRACTOR'S CHARITABLE ACTIVITIES

COMPLIANCE: The Supervision of Trustees and Fundraisers for Charitable Purposes Act regulates entities receiving or raising charitable contributions. The "Nonprofit Integrity Act of 2004" (SB 1262, Chapter 919) increased Charitable Purposes Act requirements. By requiring Contractors to complete the certification in Exhibit B, the County seeks to ensure that all County Contractors which receive or raise charitable contributions comply with California law in order to

protect the County and its taxpayers. A Contractor which receives or raises charitable contributions without complying with its obligations under California law commits a material breach subjecting it to either contract termination or debarment proceedings or both. (County Code Chapter 2.202)."

8. Paragraph 43, REMOVAL OF PATIENT IDENTIFIERS FOR APPROVED RESEARCH PROJECTS, shall be added to Agreement as follows:

"43. REMOVAL OF PATIENT IDENTIFIERS FOR APPROVED RESEARCH PROJECTS: In the event that OneLegacy and/or its Internal Review Board (IRB) is approved for research projects utilizing County patients, a Limited Data Use Agreement between the Facility and researcher must be approved by Hospital Administrator and upon approval, all protected health information and patient identifiers shall be removed for privacy and anonymity."

9. Paragraph 44, SUBCONTRACTING, shall be added to Agreement as follows:

"44. SUBCONTRACTING:

A. For purposes of this Agreement, subcontracts

shall be approved by County's Director or his/her authorized designee(s). Contractor's request to Director for approval of a subcontract shall include:

- (1) Identification of the proposed subcontractor and an explanation of why and how the proposed subcontractor was selected, including a description of Contractor's efforts to obtain competitive bids.
- (2) A description of the services to be provided under the subcontract.
- (3) The proposed subcontract amount, together with Contractor's cost or price analysis thereof.
- (4) A copy of the proposed subcontract. Any later modification of such subcontract shall take the form of a formally written subcontract amendment which must be approved in writing by Director before such amendment is effective.

B. Subcontracts issued pursuant to this Paragraph shall be in writing and shall contain at least the intent of all of the Paragraphs of the body of this Agreement, including the ADDITIONAL PROVISIONS, and the requirements of the exhibit(s) and schedule(s) attached hereto.

C. At least thirty (30) calendar days prior to

the subcontract's proposed effective date, Contractor shall submit for review and approval to Director, a copy of the proposed subcontract instrument. With the Director's written approval of the subcontract instrument, the subcontract may proceed.

D. Subcontracts shall be made in the name of Contractor and shall not bind nor purport to bind County. The making of subcontracts hereunder shall not relieve Contractor of any requirement under this Agreement, including, but not limited to, the duty to properly supervise and coordinate the work of subcontractors."

10. Except for the changes set forth hereinabove, Agreement shall not be changed in any respect by this Amendment.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be subscribed by its Director of Health Services, and Contractor has caused this Amendment to be subscribed in its behalf by its duly authorized officer, the day, month, and year first above written.

/

COUNTY OF LOS ANGELES

By

Bruce A. Chernof, M.D.
Director and Chief Medical
Officer

ONELEGACY, a California non-profit
public benefit corporation

Contractor

Signature

Print Name

Title

(AFFIX CORPORATE SEAL HERE)

APPROVED AS TO FORM
BY THE OFFICE OF THE COUNTY COUNSEL:

By

Deputy

APPROVED AS TO CONTRACT
ADMINISTRATION:

Department of Health Services

By

Cara O'Neill, Chief
Contract and Grants

05/2007
AMENDCD4361

CHARITABLE CONTRIBUTIONS CERTIFICATION

Company Name

Address

Internal Revenue Service Employer Identification Number

California Registry of Charitable Trusts "CT" number (if applicable)

The Nonprofit Integrity Act (SB 1262, Chapter 919) added requirements to California's Supervision of Trustees and Fundraisers for Charitable Purposes Act which regulates those receiving and raising charitable contributions.

CERTIFICATION**YES****NO**

Proposer or Contractor has examined its activities and determined that it does not now receive or raise charitable contributions regulated under California's Supervision of Trustees and Fundraisers for Charitable Purposes Act. If Proposer engages in activities subjecting it to those laws during the term of a County contract, it will timely comply with them and provide County a copy of its initial registration with the California State Attorney General's Registry of Charitable Trusts when filed.

()

()

OR

Proposer or Contractor is registered with the California Registry of Charitable Trusts under the CT number listed above and is in compliance with its registration and reporting requirements under California law. Attached is a copy of its most recent filing with the Registry of Charitable Trusts as required by Title 11 California Code of Regulations, sections 300-301 and Government Code sections 12585-12586.

()

()

Signature

Date

Name and Title (please type or print)